15.0　TOURISM ELEMENT

The *Tourism Element* was included as a new element of the **Sedona Community Plan** as part of the 1998 Community Plan update. This element is presented in the following sections:

15.1　**Overview**
15.2　**Key Issues**
15.3　**Recommendations**
15.4　**Action Program**

15.1   OVERVIEW

The data and information used to develop this tourism element has been taken from various sources, including the **Sedona Community Plan** (1991), City of Sedona Community Development Department, the City Council Advisory Committee on Growth Issues, US Forest Service, "A Focused Future" (see *Economic Development Element)*, and Sedona-Oak Creek Chamber of Commerce.

The City of Sedona is known worldwide and the unsurpassed beauty of the red rocks and the mild climate will continue to attract tourists to the area year-round. The overall number of visitors to the Sedona area each year continues to increase. This is reflected in the increase of sales and bed taxes collected each year and also indicated by the increasing number of visitors who contact the Sedona Chamber of Commerce. Tourism numbers are likely to continue to grow as problems in other sun states, such as Florida and California, prompt more tourists to plan vacations in Arizona. Nationwide trends such as the growing emphasis on adventure travel, eco-tourism and heritage/culture, will also contribute to an increase in the number of visitors to the Sedona area.

Economically, as well as socially, tourism provides numerous positive benefits to the Sedona community. For a town of its size, Sedona has a higher than normal amount of diverse businesses and services available to residents as well as visitors. Sales and bed taxes generated by visitor expenditures help contribute to City revenues. Visitor spending provides income for businesses and more job opportunities are available within the community.

Tourist visits vary considerably in their purpose, length of stay and economic impact. Some day-visitors drive through the Sedona area, stop and visit for a minimal time, if at all, and then drive on. Other day-visitors spend several hours in the area, visit several area attractions, eat one or more meals and make additional retail purchases before leaving. However, the tourist who makes the greatest economic impact is the destination tourist who stays in the Sedona area for one or more nights, eats several meals in the area and makes more and larger retail purchases than the day-visitors (*see Section 3.6, Tourism.*) The Sedona Chamber of Commerce, recognizing the disparate impact of the destination tourist, aims most of its marketing and promotional efforts at destination visitors.

The City of Sedona collected approximately $1.4 million in bed taxes and $2.9 million in city sales tax for fiscal year 2000-01. In 1996, it is estimated that between $77.2 and $85.1 million in retail sales was attributable to visitor spending in Sedona. In 1996, taxable visitor retail, lodging, and service industry expenditures were between $138.2 and $152.3 million, representing over 60 percent of all taxable expenditures in these categories. According to the *Sedona Hospitality Industry Survey* conducted in 1990, daily expenditures for overnight parties averaged $268 and expenditures for day-visitor parties averaged $128. The *1995 Sedona Forum XII, Background Research Report* indicates that the daily expenditures per person for overnight stays averaged $301 and expenditures for day-visitor parties averaged $119.

Tourism is Sedona's leading employer. Visitor expenditures generate approximately 1,600 jobs in direct employment and 800 jobs in indirect and induced employment.

Understanding the economic impacts of visitors in their various forms is important to visitor management. Visitors spend money in businesses, pay city, county and state taxes, use city, county, state, and Forest Service facilities and require services from public sector agencies. In addition, both visitor spending and jobs attributable to visitor activity generate additional indirect and induced economic activity. For example, a visitor-related business buys supplies and services, employees of the business use their wages to pay for goods and services from other Sedona area businesses, which in turn use some of that money to buy inputs and to pay workers.

A challenge facing Sedona is the ability to maintain local character and quality of life for residents while ensuring a quality experience for visitors. A need exists to find ways to retain Sedona's scenic beauty, small-town values, historic character and sense of community and sustain a prosperous economy without accepting that which no longer instills a sense of pride in the community.

Sedona is a "gateway community" to the majestic red rocks, National Forest and Wilderness areas surrounding the city. Gateway communities as described in *Balancing Nature and Commerce in Gateway Communities* by Jim Howe, Ed McMahon, and Luther Propst, "have become a magnet for millions of Americans looking to escape the congestion, banality, and faster tempo of life in the suburbs and cities... gateway communities offer what an increasing number of Americans value: a clean environment, safe streets, and a friendly, small town environment." The book identifies the following criteria that should be evaluated and monitored when weighing tourism as an economic development option.

- Economic diversity
- Fiscal cost
- Sustainability
- Quality

15.2   KEY ISSUES

In addition to the positive benefits of tourism identified in the Overview, tourism also has negative impacts, both directly and indirectly, on the community. Some of these impacts have become more noticeable over the past few years as the numbers of visitors continue to increase. As a result, there has been a significant amount of additional stress to the community's infrastructure, such as increased traffic congestion and parking concerns. Many of the issues identified in this section are <u>perceptions</u> compiled as a result of the numerous surveys conducted over the past several years and may not be shared by all members of the community. These surveys include the *Sedona Hospitality Industry Survey (1990)*, the *Sedona Tourist Intercept Survey (1990)*, a *Visitor Survey (1992)*, the *Sedona Forum XII, Background Research Report (1995)*, and the *Sedona Origin-Destination Study (traffic survey - 1996)* (*see Community Plan Supplement*). Other associated negative tourist-related impacts may include; potential abuse of scenic beauty, destruction of social/cultural heritage, impacts on wildlife, a perceived potential for increased crime activity, increased cost burdens to the community, increased air, noise and water pollution, increased occurrence of littering, and the perception that the needs of the community's residents are not as important as the needs of its visitors. Another community perception is that customer service is not the same as it once was as many commercial establishments are dealing with greater numbers of people. The degree to which these negative impacts are perceived varies from person to person.

Many of the issues and concerns presented in this section are also addressed in other elements of the Community Plan, such as traffic related issues; parks, recreation and trail issues; environmental related issues and lodging uses.

A.   Visitor Impacts

Infrastructure
Tourism is additionally burdening the community's already stressed infrastructure. Certain components of the infrastructure are inadequate to handle the numbers of visitors to the Sedona area. The sheer volume of visitors to Sedona has added to the need for improvements to the City's infrastructure and is in part attributable to the increasing operating costs for certain City departments. These improvements include more traffic control devices, improvements in the Uptown area, (additional parking, pedestrian cross walks, more restroom amenities, etc.), and a need for greater capacity in the water and sewer systems.

The physical presence of so many people and vehicles in the Sedona area is the most commonly perceived negative impact on local residents. In past visitors surveys, (see Community Plan Supplement, *Tourism*) respondents also identified traffic in the Sedona area as a negative experience.

There also exists a need for changes in and additions to the way visitors get around town. These needs involve pedestrian and bike pathways and auto traffic improvements. Suggested pedestrian and bikeway improvements include a walk along Oak Creek, bike trails, more pathways and walkways, and sidewalks providing access to shops. Changes in auto traffic improvements could include auto-free zones, establishing a park-and-ride program, and encouraging visitors to get out of their cars and walk.

Safety

Some residents associate tourism with increased crime activity, which in turn results in personal safety concerns. However, there is currently no data or information available which supports this perception. Decreased safety on roadways is also a concern.

Community Solidarity

It is perceived that community solidarity has been negatively impacted by tourism, resulting in a split or division between community members - those for tourism and those against tourism. Perceived outcomes of this dissension include:

- antagonism among some community members
- deterioration of the community's sense of "self"
- uncertainty of the city government concerning action on tourism related issues

Cost of Living

It is commonly felt, that as a result of tourism, the cost of living in the Sedona area has been impacted. Specifically, land values and housing costs have increased resulting in a need for lower income housing. Further, wages for service industry jobs tend to be disproportionately low compared to the cost of living in Sedona. The perception that the cost of living and land values have increased due to tourism, may be somewhat misplaced. Because Sedona is a community with a limited land base, the demand for housing increases and is reflected by higher land and housing costs. Further, because Sedona is a premier destination location, many people coming to the area on vacations, in turn, return as residents. This also adds to the demand for more housing.

Development

Continued expansion and development of Sedona and surrounding areas is also perceived as a concern attributable to the tourism industry. Many residents have expressed concern with the number of lodging units in existence and slated for future development. Another concern expressed is that further growth could include "big money" development that could involve "outside ownership." It is felt that this type of development would further impact the community not only contributing to the continued increase in the cost of living, but that owners of new development may not share the same visions or regard for the area. Many tourism industry personnel have expressed concern for the future regarding the loss of local aesthetics and beauty to unplanned and uncontrolled development. As a result, there is a need to ensure that with continued development the intrinsic qualities of the area (beauty and aesthetics) are not lost.

Economic Burden

Some residents believe that tourism is an economic burden on both community services and individual residents. Specifically, it is perceived by some residents that the cost to support tourism is placed on the retired community in the form of taxes and a higher cost of living. In addition, some believe that tourism also economically strains emergency services. Conversely, it is also believed that economic costs of tourism are more than covered by the economic benefits that tourists provide.

Quality of Life
Some community members express concern regarding the impact tourism has on the quality of life in Sedona. Some residents perceive that Sedona's small town character and quality of life are being sacrificed at the expense of the tourism industry. There tends to be an underlying fear that Sedona will become a "Grand Canyon with wall-to-wall people." In addition, some also believe that the tourism impact to the community is contributing to a:

- decline of the "Sedona experience"
- deterioration of Sedona's reputation
- invasion and loss of privacy

Environment
Commonly perceived tourist-related impacts to the environment include:

- over use of parks, trails and riparian areas, which can lead to erosion and damage to vegetation
- damage to wildlife
- destruction of prehistoric resources (ruins and petroglyphs)
- destruction and removal of rocks
- encroachment on natural habitats
- contamination of the water supply
- water pollution in Oak Creek
- air pollution as a result of the increase in traffic
- illegal dumping of trash

It is important to note that tourism may impact the issues mentioned above, but by no means is solely responsible for these environmental concerns.

Activities and Facilities
Lack of activities and adequate recreational facilities continue to restrict both residents as well as visitors. The belief that Sedona does not offer the tourist enough activities or things to do is shared by not only tourism industry personnel and residents, but has also been expressed by visitors as well. The Sedona Tourist Intercept Survey (1990) found nearly 49 percent of those surveyed suggested expanding various arts and cultural offerings as a means to increase visitation to Sedona. These include arts and cultural events, festivals, musical events, southwest events, Indian markets, dinner theaters, outdoor theaters and new age events.

Key factors from the 1990 Sedona Hospitality Industry Survey included the following suggestions for improving off- and shoulder-season visitation:

- promote more functions that are tourist-oriented
- promote Sedona as a place to spend the winter
- stage more festivals, musicals and other events
- promote mid-week functions

- advertise the area more heavily
- allocate City funds to the Chamber of Commerce for promotions and advertising
- allocate 50 percent of the bed tax for tourist promotion
- develop a community activities bulletin board
- develop sidewalks and bike paths for tourists to enjoy
- support businesses encouraging tourism

Collaboration

Another need expressed by the tourism industry personnel was the need for collaboration between different community groups. They perceived that through a collaborative process, solutions to problems and issues are possible. Specific pairs of groups were targeted as needing to participate in a collaborative process. The pairs identified include:

- ADOT and tourism industry
- City planners and community residents
- Forest Service personnel and tourism industry
- Local and state tourism associations (i.e. Arizona Tourism Alliance and Sedona Chamber of Commerce)
- Sedona Chamber of Commerce and Arizona Office of Tourism
- Tourism industry personnel and community residents

Social Carrying Capacity

Some community members have expressed the need for control and management of the numbers of tourists coming to the Sedona area. Repeatedly, they communicated their frustration with the damage to the community's infrastructure and Forest Service lands by tourists. From their perception, more control and management would minimize the negative impacts to the area.

Education and Information

A need to further educate and inform Sedona visitors currently exists. More information and education can possibly assist in minimizing tourist-related impacts on the community and Forest Service lands.

15.3   RECOMMENDATIONS

It is important to note that many of the recommendations regarding issues and concerns identified under Section 15.2, *Key Issues*, are addressed in other elements of the Community Plan. The recommendations, goals and objectives developed for the *Tourism Element* of the **Sedona Community Plan** are presented below:

GOAL 1.0   Maintain the value of Sedona's small town character, scenic beauty and natural resources which are the foundation of our economic strength and quality of life.

Objectives

1.1   Develop a comprehensive education and information program as a means to help educate visitors and residents.

1.2   Develop a comprehensive education and information program as a means to help educate retail and service industry employees.

GOAL 2.0   Ensure the quality of the visitor experience.

Objectives

2.1   Create a Strategic Plan to guide the development of a comprehensive Visitor Management Program. Promote the regional development of appropriate locations for tourist information services to serve visitors to the Verde Valley and the Sedona area.

2.2   Utilize the Arizona Council for the Enhancement of Recreation and Tourism (ACERT) for cooperative regional tourism planning and management.

GOAL 3.0   Ensure the sustainability of the community's economic health.

Objectives

3.1   Develop and support economic development strategies that build on Sedona's natural and cultural resources.

15.4 ACTION PROGRAM

Planning recommendations have been prepared based on the Goals and Objectives identified in Section 15.3. Many of these planning recommendations may not be initiated by the City and, as a result, are presented in a different format than other element implementation recommendation sections.

1.* Develop a Strategic Plan to guide the development of a comprehensive Visitor Management Program. Future planning efforts could also focus on:

- evaluating tourism industry marketing, promotional and management strategies
- encouraging the coordination of efforts at regional and state levels.
- better dispersal of visitors throughout the area
- better dispersal of visitors throughout the year
- increasing cultural activities and events compatible with our small town atmosphere
- improved cleanliness of campgrounds and public places
- encouragement of more eco-sensitive tourism and businesses
- protection of view corridors
- providing improved access to public lands

2. Create an educational program for residents and retail/service employees to increase awareness of the importance of providing positive interactions and quality services.

3. Develop a comprehensive visitor educational and information program, stressing the community vision of conservation and protection of our natural and archeological resources. Possible types of education and information could include:

- Brochures educating people on:
    - how to act in the woods
    - how humans impact the natural environment
    - how to behave in and around prehistoric ruins
    - how to behave in different types of land classifications (e.g. wilderness areas)
    - where the developed recreation sites are (e.g. trails)
- Local activity information
- Local services
- Additional road signage
- Trail information
- Interpretive information
- Art education
- Cultural diversity
- History and geography
- Natural resource conservation
- *Internet*   ** Key Recommendations*

4. Create Visitor Information Centers. Support the efforts of the US Forest Service to implement the *Visitor Information Services Strategy, by incorporating Welcome Centers, Multi-Faceted Visitor Information Centers and Interpretive/Education Centers* in various key-locations throughout the Sedona area. The US Forest Service applies the concept that a strong and integrated information and education system for the community and National Forest would assist in mitigating issues and provide expanded opportunities and qualities of experience for the resident and visitor alike. An additional goal is to bring businesses and individuals together in a joint venture, ultimately resulting consistent and improved customer service.

    The Visitor Information Centers Services Strategy is intended to educate and inform visitors about the area and the community, conveying values and etiquette for the community and National Forest. It is envisioned to be a coordinated information system integrating numerous facets of the community to help minimize duplication of efforts, confusing or misleading information and inconsistencies. In addition, traffic congestion may be relieved by providing orientation and directional information. A shuttle system and parking areas could also help reduce traffic congestion. The following types of visitor information centers are currently envisioned by the Forest Service and may encompass the features listed below.

    <u>Welcome Centers</u> utilized as gateway features and providing comprehensive services with community staffing. Centers would include restroom facilities and water fountains, supplemental non-staff services for off-hours (electronic information, courtesy phones, etc.) and offer various incentives to encourage adherence to community and National Forest values.

    <u>Multi-Faceted Visitor Information Centers</u> intended to provide communication services available throughout the community, however, narrower in scope than Welcome Centers. Some current examples include Oak Creek Vista, Sedona Outpost, Outfitter/Tour Companies, and numerous retailers, concierges, the Internet, publications and magazines, the State Parks, etc.

    <u>Interpretive/Education Centers</u> intended to provide environmental educational opportunities.

5. Support the efforts of the Focused Future's Sedona Area Action Plan, Visitor Hospitality and Experience. The goal and action plan is summarized here. The full text of the Action Plan and Action Program are found in the *Focus Future Report*, *Community Plan Supplement*.

    The primary focus of the *Visitor Hospitality and Experience* cluster relates to the provision of recreational and visitor facilities and services built around the area's natural beauty, space and sense of hospitality. Cultural, historical, and natural tourist attractions, visitors experience centers, eating and drinking establishments, lodging and resort facilities, film production, entertainment services, sports and recreational attractions, and traveler and transportation services are the most viable endeavors for Sedona to focus on in the context of this cluster. These activities represent opportunities for substantial import of wealth and exporter of good will. Goal: To provide an appealing visitor experience sensitive to visitor and community needs and conducive to extended stays.

Strategies:

Short-term

1. The Chamber shall organize a Visitor Hospitality and Experience Cluster (VH/E). This group will be assembled by a selection committee made up of an individual from each of the following agencies: City of Sedona, Sedona Chamber of Commerce, Sedona Business Association, and US Forest Service.

2. The VH/E cluster group shall identify all the activities that are occurring within the community to improve the visitor experience and determine what needs to be done to support/coordinate/facilitate these efforts. The cluster group will serve as manager of the various efforts that monitors the activities determines opportunities for coordination, and identifies missing components.

3. The VH/E cluster group shall work closely with the US Forest Service on the update of the Forest Service Management Plan to ensure visitor amenities and services are incorporated.

4. The VH/E cluster group shall interface closely with the efforts of the Verde Valley Regional Development Council.

5. The Destination Marketing Committee shall identify and pursue ways to educate the public more effectively about its efforts, explain what it means to Sedona, how it is improving the quality of the visitor experience, the results of the marketing effort, etc.

6. The VH/E cluster group shall monitor the activities of the Arizona Cooperative Recreation and Tourism Council's Rural Tourism Development Program to identify possible opportunities for assistance.

7. The VH/E cluster group shall address staffing and labor needs of the hospitality industry by coordinating education and training needs with Yavapai and Coconino Community Colleges and the Sedona School District.

Mid-Term

1. The Destination Marketing Committee shall develop a statistical tracking system that will determine the success of the destination marketing effort and then communicate the results of its efforts to the community.

2. The VH/E cluster group shall develop a public information program to regularly promote and educate the community on the efforts of the cluster and on the impact of the hospitality industry in general.
3. The VH/E cluster group will coordinate closely with the US Forest Service in their planning and policy making efforts regarding recreation and visitor services.

4. The VH/E cluster group shall establish and maintain a close link/relationship/partnership with the Arizona Office of Tourism, the statewide tourism cluster, and other special interest groups.

5. The VH/E cluster group shall exchange information with communities similar to Sedona (such as Palm Desert, California; Santa Fe, New Mexico) and with tourism related sections of the American Planning Association, Grand Canyon Trust, and the International City/County Management Association.

Long Term

1. The VH/E cluster group shall develop a Visitor Management Plan utilizing a comprehensive interagency approach. The plan should include, but not be limited to, the following issues:

- Assessment of visitor trends, impacts and resource utilization limits
- Identification and promotion of long-range tourism strategy that is understood and accepted by the community
- Analysis of factors that now dissuade visitors form extending their stay in the Sedona area
- Encouragement of cooperative marketing of the community
- Support and promotion of activities now occurring within the community to improve the visitor experience
- Identification of revenue sources to fund needed improvements
- Development of a capital improvements program to address infrastructure deficiencies
- Promotion of public/private partnerships to enhance the quality of visitor experience
- On-going public education/communication

Recommendations for the VH/E cluster groups work program:

- Make environmental and heritage protection basic to everything the community does
- Temper all efforts with the need to identify and maintain approaches towards reasonable use and enjoyment of our environment while acknowledging and protecting its vulnerability
- Develop sensitivity and a sense of responsibility for the protection of the environment among local business
- Develop eco-tourism in Sedona
- Work to educate the community to fully understand the true value of visitors

If the community is to maximize the benefits of tourism while minimizing tourism's costs, those with and those without a direct economic stake must seek a mutually non-adversarial approach to communicating and analyzing the future of tourism in the Sedona area.